

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02502A
Flagstaff Ranch Water Company, Inc
P. O. Box 10775
Phoenix AZ 85064

RECEIVED

MAR 02 2005

AZ Corporation Commission
Director Of Utilities

ANNUAL REPORT

FOR YEAR ENDING

12	31	2004
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FOR COMMISSION USE

ANN04	04
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COMPANY INFORMATION

Company Name (Business Name) Flagstaff Ranch Water Co., Inc.

Mailing Address P. O. Box 10775

Phoenix,
(Street)

AZ

85064

(City)

(State)

(Zip)

602 954 0321

602 957 3159

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

Local Office Mailing Address P. O. Box 10775

Phoenix,
(Street)

AZ

85064

(City)

(State)

(Zip)

602 954 0321

602 957 3159

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

MANAGEMENT INFORMATION

Management Contact: Herbert Dreiseszun

Sec/Rea

(Name)

(Title)

same as above

(Street)

(City)

(State)

(Zip)

same as above

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

On Site Manager: Patrick Vinson

(Name)

4888 East Half Moon

Flagstaff

AZ

86004

(Street)

(City)

(State)

(Zip)

028 527 8603

928 853 2531

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address _____

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Herbert Dreiseszun

(Name)

5045 No. 12th St.

(Street)

Phoenix,

(City)

AZ

(State)

85014

(Zip)

602 954 0321

Telephone No. (Include Area Code)

602 957 3159

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: William Sullivan

(Name)

2712 N. 7th St.

(Street)

Phoenix

(City)

AZ

(State)

85006

(Zip)

602 393 1700

Telephone No. (Include Area Code)

602 393 1703

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☒ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

Flagstaff Ranch Water Co., Inc.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises	75102		
303	Land and Land Rights			
304	Structures and Improvements	80252		
307	Wells and Springs			
311	Pumping Equipment	69409		
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	262809		
331	Transmission and Distribution Mains	430522		
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	908094	758448	149646

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Flagstaff Ranch Water Co., Inc.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises	75102		
303	Land and Land Rights			
304	Structures and Improvements	80252		
307	Wells and Springs			
311	Pumping Equipment	69409		
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	262809		
331	Transmission and Distribution Mains	430522		
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	908094		51868

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 83109	\$ 123,857
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 83109	\$ 123,857
	FIXED ASSETS		
101	Utility Plant in Service	\$ 838130	\$ 838130
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	706580	758448
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 131550	\$ 79682
	TOTAL ASSETS	\$ 214659	\$ 203539

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME Flagstaff Ranch Water Co., Inc.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 917172	\$ 917172
211	Paid in Capital in Excess of Par Value	141458*	141458*
215	Retained Earnings	(788130)	(843970)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL TOTAL CAPITAL	\$ (15701)	\$ (11121)
	TOTAL CAPITAL	214659	203539
	TOTAL LIABILITIES AND CAPITAL	\$214659	\$203539

* Mischaracterized on previous reports
should be PAID IN CAPITAL.

COMPANY NAME Flagstaff Ranch Water Co., Inc.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 81046	\$ 97595
460	Unmetered Water Revenue	16246	22425
474	Other Water Revenues /rental/reimbursements	41525	
	TOTAL REVENUES	\$ 138250	\$ 120020
	OPERATING EXPENSES		
601	Salaries and Wages /management fees	\$ 50775	\$ 52568
610	Purchased Water		
615	Purchased Power	13361	16872
618	Chemicals		
620	Repairs and Maintenance	11527	15849
621	Office Supplies and Expense		1985
630	Outside Services		
635	Water Testing	1472	1472
641	Rents		
650	Transportation Expenses		
657	Insurance -- General Liability	3774	4715
659	Insurance - Health and Life		
666	Regulatory Commission Expense -- Rate Case		
675	Miscellaneous Expense /legal and professional	14710	3232
403	Depreciation Expense	57004	51868
408	Taxes Other Than Income		
408.11	Property Taxes	923	2078
409	Income Tax	45	45
	TOTAL OPERATING EXPENSES	\$ 126519	\$ 150864
	OPERATING INCOME/(LOSS)	\$	\$ (30844)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income/ Rental		19542
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$ 19542
	NET INCOME/(LOSS)	\$ (40140)	\$ (11121)

COMPANY NAME Flagstaff Ranch Water Co., Inc.

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ -0-

Meter Deposits Refunded During the Test Year \$

PAID IN CAPITAL \$141458 previously mischaracterized as loans.

COMPANY NAME Flagstaff Ranch Water Co., Inc.

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55 509021	60	60	1600	12	1	1984

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
none		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
none		66	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
595000	1	595000	1

COMPANY NAME Flagstaff Ranch Water Co., Inc.

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4		
5		
6		
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	86
1	22
1 1/2	3
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

none

STRUCTURES:

OTHER:

COMPANY NAME: Flagstaff Ranch Water Co., Inc.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	116	479000	
FEBRUARY	121	snow	
MARCH	121	1316000 2 months	
APRIL	122	685000	
MAY	125	1270000	
JUNE	128	1610000	
JULY	130	1839000	
AUGUST	135	1685000	
SEPTEMBER	136	1332000	
OCTOBER	143	1201000	
NOVEMBER	143	844000	
DECEMBER		snow	
TOTAL		NA	

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. 0.032 mg/l

(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Flagstaff Ranch Water Co., Inc.

YEAR ENDING 12/31/2004

PROPERTY TAXESAmount of actual property taxes paid during Calendar Year 2004 was: \$ 2078

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

FLAGSTAFF RANCH WATER CO., INC. P.O. BOX 10775, ASP 85448-0775 PHOENIX, AZ 85048		936-40-100 5109547	1531
PAY TO THE ORDER OF Coconino County Treasurer		DATE 4/13/04	\$871.46
Eight hundred seventy-one and 46/100		DOLLARS	
Northern Trust			
FOR		P001531P C122105210C P1111034822P P0000087146P	
4/21/04	1531	871.46	

116-99-221, 222, 223, 224, 936-40-100 FLAGSTAFF RANCH WATER CO., INC. P.O. BOX 10775, ASP 85448-0775 PHOENIX, AZ 85048		1568
PAY TO THE ORDER OF Coconino County Treasurer		DATE 10/12/04
One thousand two hundred six and 29/100		\$1206.29
DOLLARS		
FOR		P001568P C122105210C P1111034822P P0000120629P
11/15/04	1568	1,206.29

COMPANY NAME Flagstaff Ranch Water Co., Inc.

YEAR ENDING 12/31/2004

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>-0-</u>
Estimated or Actual Federal Tax Liability	<u>-0-</u>

State Taxable Income Reported	<u>-0-</u>
Estimated or Actual State Tax Liability	<u>-0-</u>

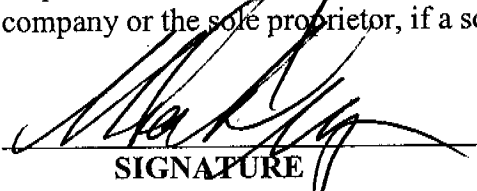
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>-0-</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>-0-</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

2/5/05

DATE

Herbert Dreiseszun

PRINTED NAME

Sec/Trea

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAR 02 2005

AZ Corporation Commission
Director Of Utilities

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Maricopa
NAME (OWNER OR OFFICIAL) TITLE
Herbert Dreiseszun Se/Trea
COMPANY NAME
Flagstaff Ranch Water Co., Inc.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

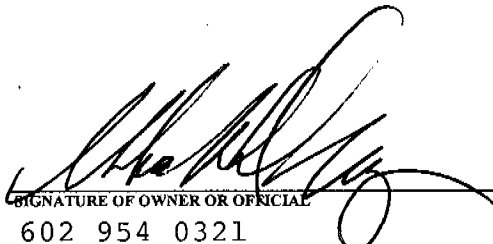
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 120020

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 776
IN SALES TAXES BILLED, OR COLLECTED)

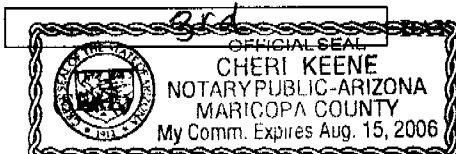
****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
602 954 0321
TELEPHONE NUMBER

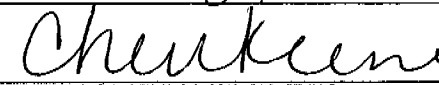
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 3rd DAY OF



MY COMMISSION EXPIRES

COUNTY NAME
Maricopa
MONTH <u>February</u> <u>2005</u>
 SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

MAR 02 2005

VERIFICATION

AZ Corporation Commission
Director Of Utilities

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) Maricopa	
NAME (OWNER OR OFFICIAL) Herbert Dreiseszun	TITLE Se/Trea
COMPANY NAME Flagstaff Ranch Water Co., Inc.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

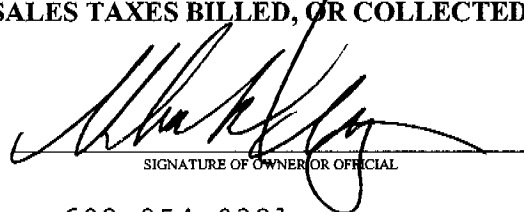
IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 97595

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 630
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**


SIGNATURE OF OWNER OR OFFICIAL

602 954 0321

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

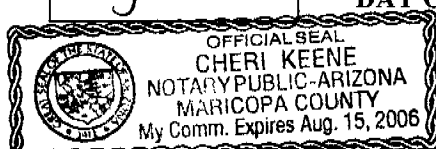
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

3rd

DAY OF

(SEAL)



MY COMMISSION EXPIRES

NOTARY PUBLIC NAME	
COUNTY NAME Maricopa	
MONTH February	2005

X 

SIGNATURE OF NOTARY PUBLIC

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

FLAGSTAFF RANCH WATER COMPANY, INC.

FINANCIAL STATEMENTS

DECEMBER 31, 2004

ABBOTT & COMPANY, LTD.
CERTIFIED PUBLIC ACCOUNTANTS
PHOENIX, ARIZONA

ACCOUNTANTS' COMPILATION REPORT

FLAGSTAFF RANCH WATER COMPANY, INC.
PHOENIX, ARIZONA

We have compiled the accompanying Statement of Assets, Liabilities and Equity - Income Tax Basis of

FLAGSTAFF RANCH WATER COMPANY, INC. as of December 31, 2004

and the related Statement of Revenues and Expenses - Income Tax Basis for the period then ended, and the accompanying Supplementary Information - Income Tax Basis, which is presented only for supplementary analysis purposes, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The financial statements have been prepared on the accounting basis used by the Company for federal income tax purposes, which is a comprehensive basis of accounting other than generally accepted accounting principles.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

01/17/05

Abbott & Company, Ltd.

FLAGSTAFF RANCH WATER COMPANY, INC.

Statement of Assets, Liabilities and Equity - Income Tax Basis

December 31, 2004

ASSETS

Cash	
Northern Trust Bank, Checking	\$ 23,074
Northern Trust Bank, Money Market	94,706
Northern Trust Bank, CD	6,078
	<hr/>
Total Cash	123,858
	<hr/>
Property and Equipment	
Plant Assets	838,130
Accumulated Depreciation	(758,448)
	<hr/>
Total Property and Equipment	79,682
	<hr/>
Total Assets	\$ 203,540
	<hr/> <hr/>

LIABILITIES AND EQUITY

Current Liabilities	
Accrued State Income Taxes	\$ 45
	<hr/>
Total Current Liabilities	45
	<hr/>
Capital Stock	917,172
Additional Paid-in Capital	141,414
Retained Earnings (Deficit)	(843,970)
Net Income (Loss) For The Period	(11,121)
	<hr/>
Total Liabilities and Equity	\$ 203,540
	<hr/> <hr/>

FLAGSTAFF RANCH WATER COMPANY, INC.

Statement of Revenues and Expenses - Income Tax Basis

Year Ended December 31, 2004

Revenues	
Water Income	\$ 120,021
Rental Income	19,150
Interest Income	392
	<hr/>
Total Revenues	139,563
	<hr/>
Operating Expenses	
Water Testing Services	\$ 1,472
Management Fees	52,568
Repairs and Maintenance	15,849
Printing	83
Professional Fees	3,232
Commission Expense	1,740
Bank Charges	10
Dues and Subscriptions	107
Real Estate Taxes	2,078
Insurance	4,715
Licenses and Taxes	45
Electricity	16,872
State Income Taxes	45
Depreciation and Amortization Expense	51,868
	<hr/>
Total Operating Expenses	150,684
	<hr/>
Net Income (Loss)	\$ (11,121)
	<hr/>

See Accountants' Compilation Report